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**NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/18/06

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**NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 2006**

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
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JUNE 30, 2006

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Northwestern State University Foundation
Natchitoches, Louisiana

We have audited the accompanying statement of financial position of Northwestern State University Foundation (a non-profit organization), as of June 30, 2006, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwestern State University Foundation, as of June 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Northwestern State University Foundation taken as a whole. The accompanying supplemental schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Hines, Jackson & Hines
Natchitoches, Louisiana
October 2, 2006

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2006

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 1,283,574
Promises to give	171,000
Investments	7,650,697
Other current assets	<u>22,535</u>
Total Current Assets	9,127,806
Fixed assets, at cost	23,971
Less: accumulated depreciation	(7,424)
Other assets	<u>32,300</u>
Total Assets	<u>\$ 9,176,653</u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	\$ 30,392
Funds held in custody	760,000
Current portion of long-term debt	<u>36,554</u>
Total Current Liabilities	826,946
Long-term Liabilities	
Notes payable, net of current portion	<u>21,844</u>
Total Liabilities	848,790
Net Assets	
Unrestricted	365,948
Temporarily restricted	2,561,091
Permanently restricted	<u>5,400,824</u>
Total Net Assets	<u>8,327,863</u>
Total Liabilities and Net Assets	<u>\$ 9,176,653</u>

The accompanying notes are an integral part of this statement.

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

PUBLIC SUPPORT, REVENUES, AND RECLASSIFICATIONS	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Contributions	\$ 233,784	\$ 852,701	\$ 729,406	\$ 1,815,891
Special events, admissions	0	3,489	0	3,489
Dues and fees	5,844	15,325	0	21,169
Income from investments	20,735	232,004	972	253,711
Unrealized gains/(losses) in investments	45,483	218,574	48,045	312,102
Scholarships - Named recipients	0	36,994	0	36,994
Fund raising events, commissions	48,654	491,157	3,725	543,536
General marketing	0	206,104	0	206,104
Sale of items	0	48,988	0	48,988
Gain (loss) on sale of assets	(122,023)	0	0	(122,023)
Other revenues	29,503	113,621	0	143,124
Transfer	0	32,580	0	32,580
Net Assets Released from Restrictions				
Satisfactions of Program Restrictions	<u>1,368,387</u>	<u>(1,368,387)</u>	<u>0</u>	<u>0</u>
Total Public Support, Revenues, and Reclassifications	1,630,367	883,150	782,148	3,295,665
EXPENSES				
Program services				
Scholarships	301,377	0	0	301,377
NSU-Administrative	896	0	0	896
Advertisement	90	0	0	90
Awards and plaques	21,477	0	0	21,477
Athletic supplies	63,976	0	0	63,976
Books	28,648	0	0	28,648
Copier rental	6,234	0	0	6,234
Contract labor	29,167	0	0	29,167
Condo expenses	3,138	0	0	3,138
Cultivation	64,110	0	0	64,110
Depreciation	5,728	0	0	5,728
Equipment	24,302	0	0	24,302
Fund raising	94,881	0	0	94,881
Game tickets	8,560	0	0	8,560
Interest expense	4,393	0	0	4,393
Maintenance service, supplies	12,717	0	0	12,717
Office supplies, postage	4,929	0	0	4,929
Printing	6,585	0	0	6,585
Professional services	30,924	0	0	30,924
Promotional and marketing	165,356	0	0	165,356
Telephone	4,996	0	0	4,996
Supplies	<u>31,341</u>	<u>0</u>	<u>0</u>	<u>31,341</u>
Program services (continued)	\$ 913,825	\$ 0	\$ 0	\$ 913,825

The accompanying notes are an integral part of this statement.

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHE, LOUISIANA
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2006

EXPENSES (CONTINUED)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Program services (Continued)	\$ 913,825	\$ 0	\$ 0	\$ 913,825
Travel	71,087	0	0	71,087
Other program services expenses	<u>273,762</u>	<u>0</u>	<u>0</u>	<u>273,762</u>
Total Program Services	1,258,674	0	0	1,258,674
Support Services				
Advertisement	58	0	0	58
Cultivation	106,462	0	0	106,462
Equipment	16,632	0	0	16,632
Fund raising expenses	105,784	0	0	105,784
Insurance	396	0	0	396
Maintenance services, supplies	5,879	0	0	5,879
Office supplies, postage	5,312	0	0	5,312
Professional services	10,729	0	0	10,729
Printing	2,066	0	0	2,066
Promotional	5,972	0	0	5,972
Salaries and payroll taxes	11,476	0	0	11,476
Transfer to NSU	0	0	300,000	300,000
Transfer to Foundation	0	0	0	0
Transfers to temporarily restricted	32,580	0	0	32,580
Transfers to permanently restricted	0	0	0	0
Travel	7,114	0	0	7,114
Capital projects	0	0	0	0
Other support services expenses	<u>43,036</u>	<u>0</u>	<u>0</u>	<u>43,036</u>
Total Support Services	<u>353,496</u>	<u>0</u>	<u>300,000</u>	<u>653,496</u>
Total Expenses	<u>1,612,170</u>	<u>0</u>	<u>300,000</u>	<u>1,912,170</u>
Increase/(Decrease) in Net Assets	18,197	883,150	482,148	1,383,495
Net Assets, Beginning of year	<u>347,751</u>	<u>1,677,941</u>	<u>4,918,676</u>	<u>6,944,368</u>
Net Assets, End of year	<u>\$ 365,948</u>	<u>\$ 2,561,091</u>	<u>\$ 5,400,824</u>	<u>\$ 8,327,863</u>

The accompanying notes are an integral part of this statement.

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006

CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES

Change in net assets	\$ 1,383,495
Add depreciation - a non-cash expense	5,728
Cash provided by operating activities:	
(Increase)/decrease in operating assets	
Promises to give	(161,000)
Interest receivable	428
Commissions receivable	(15,049)
Cash surrender value in life insurance	(1,939)
Other assets - Condo	150,000
Increase/(decrease) in operating liabilities	
Accounts payable	24,794
Funds held in custody	(160,000)
Net Cash Provided By/(Used In) Operating Activities	<u>1,226,457</u>

CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES

(Increase)/decrease in investments	
Certificates of deposit	348,590
Mutual deposits	(917,302)
U.S. Government Funds	177,174
Stocks and bonds	(290,485)
Net Cash Provided By/(Used In) Operating Activities	<u>(682,023)</u>

CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES

Increase/(decrease) in notes payable	<u>(105,706)</u>
--------------------------------------	------------------

Net Increase/(Decrease) in Cash and Cash Equivalents 438,728

CASH AND CASH EQUIVALENTS, Beginning of year 844,846

CASH AND CASH EQUIVALENTS, End of year \$ 1,283,574

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Northwestern State University Foundation (the Foundation) is a non-profit corporation formed in 1960. Its purpose is to promote the educational and cultural welfare of Northwestern State University (the University) and to aid students in their studies at the University and to solicit and accept funds to achieve the foregoing objectives. The Foundation serves as an umbrella organization for the Northwestern State University Alumni Association and the Northwestern State University Athletic Association, each of which has its own board of directors. Funds for each of these organizations are combined with funds of the Foundation for presentation in these financial statements.

The Foundation qualifies as a tax-exempt organization (an "other than private foundation") under Section 501 (c)(3) of the Internal Revenue Code.

B. Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

C. Basis of Presentation

The Foundation presents its financial statements in accordance with Statement of Financial Accounting Standards ("SFAS") No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, an organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Additionally, the Foundation is required to present a statement of cash flows.

D. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Permanently restricted net assets from endowment fund contributions are restricted to investment in perpetuity, the income from which is considered temporarily restricted until donor-imposed restrictions are met.

Certain gifts are subject to the terms of acts of donation whereby the Foundation and/or the University agrees to certain requirements such as providing information regarding how such gifts are invested and how earnings thereon are spent.

E. Promises to Give

Promises to give are recorded as received. Promises to give, due in the next year, are reflected as current promises to give and are recorded at their net realizable value. Promises to give due in subsequent years are reflected as

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT)

long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. The majority of the promises to give are received from a broad base of contributors as a result of the annual campaign. There are two multi year promises to give recorded. The promise to give year conforms to the fiscal year; therefore, uncollected promises to give at the end of the fiscal year are regarded as uncollectible.

F. Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

G. Investments

Investments are presented in the financial statements at market value. Securities are available for sale.

H. Contributed Services

The University pays all personnel costs and also provides office space, some furniture and equipment, utilities and telephone charges for the Foundation. The value of these items is not recorded in the financial statements.

I. Collections

Collections consist of non-cash donations of Southern History Journals and Salvador Dali paintings. These items are not recorded in the financial statements.

J. Fixed Assets

The Foundation policy is to expense fixed assets when purchased because the assets are given to Northwestern State University. The University adds the items to their records and maintains the insurance. The Athletic Association has two vehicles which were used by coaches at June 30, 2006. The vehicles are recorded at cost. Depreciation is provided over the estimated useful lives of the assets and computed on the straight-line method.

K. Funds Held in Custody

Northwestern State University participates in a program with the State of Louisiana (the Eminent Scholars/Endowed Chairs and Professorships Programs sponsored by the Louisiana Board of Regents) whereby the Louisiana Educational Quality Support Fund matches funds which, together with donations received by the Foundation and transferred to the University, establish endowment funds, which are accumulated and maintained by the University. The state matches 40% of the professorships or \$40,000 each and the state matches 60% of the chairs which is \$600,000. The earnings on the endowed chairs are to be used by the University to attract or retain nationally recognized scholars. The earnings on the endowed professorships are to provide the University funds for faculty research and development along with needed equipment. The Foundation receives the donation from the donor in the form of contributions, and notifies the Louisiana Board of Regents. The Foundation holds the funds in custody until the Louisiana Board of Regents gives final approval for matching funds. The Foundation transfers the funds held in custody to the University when the Board of Regents transfers the matching funds to the University.

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT)

L. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are summarized as follows:

Interest bearing checking accounts	\$ 544,647
Regular checking accounts	502
Money market accounts	<u>738,425</u>
Total	<u>\$ 1,283,574</u>

As of June 30, 2006, the Foundation had \$1,126,856 in bank deposits. These deposits are secured from risk by \$200,000 of federal deposit insurance (FDIC).

Money market accounts are invested with brokerage firms, and are not secured by FDIC insurance, rather the institution will generally guarantee a purchase at market or bid price. The Foundation uses AG Edwards, Sunamerica, Smith Barney Citigroup, Merrill Lynch, Trust Company of Illinois, and Capital One.

NOTE 3 PROMISES TO GIVE

Promises to give are recorded as received. Promises to give, due in the next year, are reflected as current promises to give and are recorded at their net realizable value. Promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. The majority of the promises to give are received from a broad base of contributors as a result of the annual campaign. There are two multi year promises to give recorded. The promise to give year conforms to the fiscal year; therefore, uncollected promises to give at the end of the fiscal year are regarded as uncollectible. The total amount of promises to give at June 30, 2006, is expected to be collected as follows:

Less than one year	\$ 65,000
One to five years	<u>106,000</u>
Total promises to give	<u>\$ 171,000</u>

Certain donors have stipulated to make donations to the Foundation upon death. The total amount is unknown at June 30, 2006, and no amount has been recorded in the financial statements.

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 4 INVESTMENTS

Investments include certificates of deposits with banks and brokerage firms, mutual funds, U.S. Government Securities, stocks and bonds.

It is estimated that \$4,596 of the amounts invested in certificates of deposit are not covered by FDIC insurance.

The Foundation has not had to cash in CD's early, and it is estimated the difference between market value and cost, if any, is not material.

Mutual Funds, U. S. Government securities, stocks and bonds are recorded at market value with the exception of Valley Farmers Coop Preferred Stock, which is recorded at cost of \$2,500 since this is not a public traded stock and market is unknown. Non Government obligations and common stocks are investments through Capital One Bank - Private Client Group and are recorded at market value.

A summary follows:

	<u>ALUMNI ASSOCIATION</u>	<u>ATHLETIC ASSOCIATION</u>	<u>NSU FOUNDATION</u>	<u>TOTAL</u>
Certificates of deposit	\$ 78,588	\$ 0	\$ 416,203	\$ 494,791
Mutual Funds				
Chase Investment Securities	0	0	36,492	36,492
Sunamerica/AIG	119,019	483,306	3,273,656	3,875,981
Trust Company of Illinois	<u>0</u>	<u>0</u>	<u>60,610</u>	<u>60,610</u>
	119,019	483,306	3,370,758	3,973,083
U.S. Government Securities				
U S Treasury and Agencies	0	0	286,008	286,008
U S Mortgage Fund A	<u>0</u>	<u>0</u>	<u>75,477</u>	<u>75,477</u>
	0	0	361,485	361,485
Stocks and Bonds				
Valley Farmers Coop - Preferred Stock, at cost market unknown	0	0	2,500	2,500
Series EE Bonds			376	376
Non Government Obligations				
Capital One Bank	0	0	864,529	864,529
Common Stocks				
Capital One Bank	0	0	1,925,858	1,925,858
Trust Company of Illinois	<u>0</u>	<u>0</u>	<u>28,075</u>	<u>28,075</u>
	<u>0</u>	<u>0</u>	<u>2,821,338</u>	<u>2,821,338</u>
Total	<u>\$ 197,607</u>	<u>\$ 483,306</u>	<u>\$ 6,969,784</u>	<u>7,650,697</u>

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS(CONTINUED)
JUNE 30, 2006

NOTE 5 OTHER CURRENT ASSETS

	ALUMNI ASSOCIATION	ATHLETIC ASSOCIATION	NSU FOUNDATION	TOTAL
Interest receivable	\$ 1,715	\$ 0	\$ 3,440	\$ 5,155
Commissions receivable	17,380	0	0	17,380
Total	<u>\$ 19,095</u>	<u>\$ 0</u>	<u>\$ 3,440</u>	<u>\$ 22,535</u>

NOTE 6 FIXED ASSETS

The Athletic Association owns two vehicles and are used by coaches at June 30, 2006. They are subject to chattel mortgages with a total balance due of \$11,738 at June 30, 2006.

Vehicles, at cost	\$ 23,971
Less: accumulated depreciation	<u>(7,424)</u>
	<u>\$ 16,547</u>

NOTE 7 OTHER ASSETS

Other assets are as follows:

Cash surrender value of life insurance (3 policies)	<u>\$ 32,300</u>
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NOTE 8 ACCOUNTS PAYABLE

Accounts payable consist of trade accounts payable as follows:

Alumni Association	\$ 4,270
Athletic Association	24,403
NSU Foundation	<u>1,719</u>
	<u>\$ 30,392</u>

NOTE 9 FUNDS HELD IN CUSTODY

Funds held in custody are donations that were made to the Foundation as matching funds and will be transferred to the University under the Endowed Chairs and Professorships Programs detailed in Note 1. A summary follows:

Ragus Endowed		\$ 400,000
Barry Smiley Professorship	\$ 60,000	
Thomas Stewart Professorship	60,000	
Roy O. Martin Professorship	60,000	
Karl and Linda Moore Professorship	60,000	
Willis-Knighton Professorship	60,000	
Francisco A. Silva Professorship	<u>60,000</u>	<u>360,000</u>
Total		<u>\$ 760,000</u>

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 10 NOTES PAYABLE

On October 3, 2001, Northwestern Athletic Association borrowed \$150,000 from Exchange Bank & Trust Company, Natchitoches, Louisiana. The proceeds were used to pay the balance due on the turf at Turpin Stadium. The interest rate is 6.50%. Monthly payments of \$2,700.00 began July 7, 2005, with the last payment due February 3, 2008. Principal balance on the loan at June 30, 2006, was \$46,660. Interest expense was accrued through June 30, 2006.

On December 31, 2004, Northwestern Athletic Association purchased a 2004 Dodge to be used by coaches. The vehicle is financed with Chrysler Financial. Payments are \$290.86 per month including principal and interest at 5.49%. Principal balance on the loan at June 30, 2006, was \$8,384.

On June 14, 2005, Northwestern Athletic Association purchased a 2002 Ford Focus to be used by coaches. The vehicle is financed with Peoples State Bank, Many, La. Payments are \$292.05 per month including principal and interest at 7.25%. Principal balance on the loan at June 30, 2006, was \$3,354.

A summary follows:

	<u>CURRENT LIABILITY</u>	<u>LONG-TERM LIABILITY</u>	<u>TOTAL</u>
Exchange Bank	\$ 30,000	\$ 16,660	\$ 46,660
Chrysler Financial	3,200	5,184	8,384
Peoples State Bank	3,354	0	3,354
Total	<u>\$ 36,554</u>	<u>\$ 21,844</u>	<u>\$ 58,398</u>

NOTE 11 INCOME TAXES

Federal income tax is paid on unrelated business income. A tax court decision ruled that commissions on a credit card program in exchange for the use of its name and logo is not considered unrelated business income for income taxes. Based on this decision, the Foundation does not have liability.

NOTE 12 LITIGATION

According to management, the Foundation is not involved in any defensive litigation.

NOTE 13 PENSIONS

The Foundation employs several part-time employees. They are covered under the Social Security System. The University pays all other personnel costs, including pension cost. The value of this as well as other services furnished by the University are not included in the financial statements of the Foundation.

NOTE 14 DONATIONS FROM NORTHWESTERN STATE UNIVERSITY

The Foundation receives donated services, the use of equipment and facilities from Northwestern State University at no charge. The estimated value of these services and facilities is listed below and is not recorded on the books of the Foundation. The estimate as provided by Northwestern State University is the same as the Foundation. A summary of the estimated value of services as provided by the University and the Foundation is as follows:

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 14 DONATIONS FROM NORTHWESTERN STATE UNIVERSITY (CONT)

	Estimated Value As Provided by Northwestern State University
Salaries and related benefits	\$ 119,743
Travel	922
Operating services	240
Supplies	0
Capital outlays	0
Other costs	1,174
Total	<u>\$ 122,079</u>

NOTE 15 RESTRICTIONS ON ASSETS

Temporarily restricted net assets are available for the following purposes:

	ALUMNI ASSOCIATION	ATHLETIC ASSOCIATION	NSU FOUNDATION	TOTAL
Centennial Development Scholarships	\$ 100,668	\$ 0	\$ 0	\$ 100,668
Athletic Scholarships	0	13,772	0	13,772
Notes payable and other liabilities	0	(82,801)	(1,719)	(84,520)
Donor restricted gifts for scholarships, Assistance to university and other restrictions	<u>0</u>	<u>393,840</u>	<u>2,137,331</u>	<u>2,531,171</u>
Total	<u>\$ 100,668</u>	<u>\$ 324,811</u>	<u>\$ 2,135,612</u>	<u>\$ 2,561,091</u>

Permanently restricted net assets consist of endowment funds investments to be held indefinitely, the income from which is expendable to support the following:

<u>Athletic Association</u>	<u>\$ 474,930</u>
<u>NSU Foundation</u>	
A. A. Fredericks	\$ 15,000
Advance Student/Parent Alumni	44,696
Alpha Beta Alpha	29,000
Alliance Company Scholarship	20,000
Raymond Arthur Scholarship	21,958
Berrian and Cleavie Bailey	25,000
Bank One	54,500
Buddy Bonnette	35,300
T. P. Chaplin Memorial	54,000
Dan and Lilly Chase Scholarship	101,000
Ester Cooley	20,000
Ellis & Melva Coutee	97,568
Sam & Lillian Davis	114,750
DeSoto Parish Housing	150,000
James Ford	<u>19,176</u>
Carry forward	801,948

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2006

NOTE 15 RESTRICTIONS ON ASSETS (CONT)

Balance Forward	\$ 801,948
Eleanor Garbrecht	664,388
General College Scholarship	25,445
Janet Goodwin Scholarship	23,235
Mary Ryan Gresham	26,915
Pauline Jobe	39,850
John and Jewell Jones	112,827
Ben Johnson Scholarship	61,531
Cary Johnson	20,000
Mimi Jordan	18,135
John, Thelma and Janet Kyser	112,304
Armand & Docia LaCour Scholarship	31,400
Marion Lofton Memorial	249,953
John & Becky Luster Scholarship	25,000
Annie O. Lynch Program Enhancement	50,000
Annie O. Lynch Scholarship	20,000
Magale Music	689,069
Michael Peter Manno Scholarship	25,000
Leroy Miller	32,000
Travis Miller Scholarship	100,000
Charles Monday	36,031
Elizabeth P. Mooney	40,000
Sara Roach/Opal Perot	21,563
Walter Porter	63,339
John Ropp	30,252
Dallas and C.R. Sanders Scholarship	100,000
Corrine Saucier	34,300
Barry and Shirley Smiley	43,756
DeEster W. Taylor	15,000
Joseph A. Thomas, M.D.	105,000
Martin Walker	50,000
Ella T. Ward	200,000
Randy and Brenda Webb Scholarship	50,000
Jon P. Weyand Memorial	25,500
Gladys Williams/Leonard Farr	100,000
All others, less than \$15,000 each	882,153
Total	<u>\$ 4,925,894</u>

SUPPLEMENTAL INFORMATION SCHEDULES

SCHEDULE 1

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2006

	Alumni Association	Athletic Association	NSU Foundation	Total
ASSETS				
Cash in checking accounts	\$ 84,096	\$ 375,530	\$ 85,523	\$ 545,149
Money market accounts	1,210	7,159	730,056	738,425
Unconditional promises to give	0	0	171,000	171,000
Certificates of deposit	78,588	0	416,203	494,791
Mutual fund investments	119,019	483,306	3,370,758	3,973,083
U S Government Securities	0	0	361,485	361,485
Stocks and bonds	0	0	2,821,338	2,821,338
Interest and commissions receivable	19,095	0	3,440	22,535
Fixed assets	0	23,971	0	23,971
Less: accumulated depreciation	0	(7,424)	0	(7,424)
Other assets	0	0	32,300	32,300
Total Assets	\$ 302,008	\$ 882,542	\$ 7,992,103	\$ 9,176,653
LIABILITIES				
Accounts payable	\$ 4,270	\$ 24,403	\$ 1,719	\$ 30,392
Funds held in custody - due to NSU	0	0	760,000	760,000
Notes payable	0	58,398	0	58,398
Total Liabilities	4,270	82,801	761,719	848,790
Net Assets				
Unrestricted	197,070	0	168,878	365,948
Temporarily restricted	100,668	324,811	2,135,612	2,561,091
Permanently restricted	0	474,930	4,925,894	5,400,824
Total Net Assets	297,738	799,741	7,230,384	8,327,863
Total Liabilities and Net Assets	\$ 302,008	\$ 882,542	\$ 7,992,103	\$ 9,176,653

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

	Alumni Association	Athletic Association	NSU Foundation	Total
PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS				
Contributions	\$ 132,692	\$ 421,560	\$ 1,261,639	\$ 1,815,891
Special events, admissions	0	0	3,489	3,489
Dues and fees	5,844	0	15,325	21,169
Income from investments	7,820	18,906	226,985	253,711
Unrealized gains/(losses) in investments	6,513	23,495	282,094	312,102
Scholarships - Named recipients	0	0	36,994	36,994
Fund raising events, commissions	48,654	422,650	72,232	543,536
General Marketing	0	206,104	0	206,104
Sale of items	0	22,994	25,994	48,988
Gain (loss) on sale of assets	0	0	(122,023)	(122,023)
Other revenue	20,228	46,794	76,102	143,124
Transfers	0	32,580	0	32,580
Total Public Support, Revenues, and Reclassifications	221,751	1,195,083	1,878,831	3,295,665
EXPENSES				
Program services				
Scholarships	8,900	98,535	193,942	301,377
NSU - Administration	0	0	896	896
Advertisement	90	0	0	90
Awards and plaques	600	16,742	4,135	21,477
Athletic supplies	0	63,976	0	63,976
Books	0	28,648	0	28,648
Copier rental	0	6,234	0	6,234
Contract labor	0	29,167	0	29,167
Condo expenses	0	0	3,138	3,138
Cultivation	0	64,110	0	64,110
Depreciation	0	5,728	0	5,728
Equipment	0	2,391	21,911	24,302
Fund raising	0	41,181	53,700	94,881
Game tickets	0	8,560	0	8,560
Interest expense	0	4,393	0	4,393
Maintenance service, supplies	0	12,717	0	12,717
Office supplies, postage	85	4,276	568	4,929
Printing	63	6,522	0	6,585
Professional services	0	30,724	200	30,924
Promotional and marketing	30,734	133,567	1,055	165,356
Telephone	0	4,996	0	4,996
Supplies	0	7,985	23,356	31,341
Travel	0	60,174	10,913	71,087
Other expenses, designated	2,696	40,999	230,067	273,762
Total Program Services	\$ 43,168	\$ 671,625	\$ 543,881	\$ 1,258,674

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2006

EXPENSES (CONTINUED)	Alumni Association	Athletic Association	NSU Foundation	Total
Support services				
Advertisement	\$ 0	\$ 0	\$ 58	\$ 58
Cultivation	63,974	3,997	38,491	106,462
Equipment	0	15,271	1,361	16,632
Fund raising expenses	15,640	90,144	0	105,784
Insurance	0	0	396	396
Maintenance services, supplies	0	5,702	177	5,879
Office supplies, postage	4,785	497	30	5,312
Professional services	6,543	0	4,186	10,729
Printing	0	0	2,066	2,066
Promotional	0	0	5,972	5,972
Salaries and payroll taxes	0	0	11,476	11,476
Transfer to NSU	0	0	300,000	300,000
Transfer to Foundation	0	0	0	0
Transfer to temporarily restricted	0	0	32,580	32,580
Transfer to permanently restricted	0	0	0	0
Travel	954	4,438	1,722	7,114
Capital projects	0	0	0	0
Other expense	19,103	8,375	15,558	43,036
Total Support Services	110,999	128,424	414,073	653,496
Total Expenses	154,167	800,049	957,954	1,912,170
Increase/(Decrease) in Net Assets	67,584	395,034	920,877	1,383,495
NET ASSETS, Beginning of year	230,154	404,706	6,309,508	6,944,368
NET ASSETS, End of year	\$ 297,738	\$ 799,740	\$ 7,230,385	\$ 8,327,863

NORTHWESTERN STATE UNIVERSITY FOUNDATION
NATCHITOCHES, LOUISIANA
COMBINING STATEMENT OF ACTIVITIES - NSU FORMAT
FOR THE YEAR ENDED JUNE 30, 2006

	Alumni Association	Athletic Association	NSU Foundation	Total
OPERATING REVENUES				
Student tuition and fees	\$ 5,844	\$ 0	\$ 15,325	\$ 21,169
Federal appropriations	0	0	0	0
Federal grants and contracts	0	0	0	0
State and local grants and contracts	0	0	0	0
Non-governmental grants and contracts	0	0	0	0
Sales and services of education departments	0	0	0	0
Hospital income	0	0	0	0
Auxiliary enterprise revenue	0	0	0	0
Other operating revenue	0	0	0	0
Total Operating Revenue	5,844	0	15,325	21,169
OPERATING EXPENSES				
Education and general:				
Instruction	0	0	0	0
Research	0	0	0	0
Public service	0	0	0	0
Academic support	0	0	0	0
Student service - Books	0	28,648	0	28,648
Institutional support	0	0	0	0
Operations and maintenance of plant	0	0	0	0
Depreciation	0	5,728	0	5,728
Scholarships and fellowships	8,900	98,535	193,942	301,377
Auxiliary enterprise - NSU Athletics	0	662,745	0	662,745
Hospital	0	0	0	0
Other operating expenses	145,267	0	463,912	609,179
Total Operating Expenses	154,167	795,656	657,854	1,607,677
Operating Income/(Loss)	(148,323)	(795,656)	(642,529)	(1,586,508)
NON-OPERATING REVENUES/(EXPENSES)				
State appropriations	0	0	0	0
Gifts - contributions	132,692	421,560	1,261,639	1,815,891
Net investment income/(loss)	14,333	42,401	509,079	565,813
Interest expense	0	(4,393)	0	(4,393)
Other non-operating revenues	68,882	731,122	92,688	892,692
Net Non-operating Revenue/(expenses)	215,907	1,190,690	1,863,406	3,270,003
Income/(loss) before other Revenues, Expenses, Gains and Losses	67,584	395,034	1,220,877	1,683,495
Capital appropriations	0	0	0	0
Capital grants and gifts	0	0	0	0
Transfers (to)/from NSU	0	0	(300,000)	(300,000)
Other additions net	0	0	0	0
Increase/(Decrease), in Net Assets	67,584	395,034	920,877	1,383,495
NET ASSETS, Beginning of the year	230,154	404,706	6,309,508	6,944,368
NET ASSETS, End of the year	\$ 297,738	\$ 799,740	\$ 7,230,385	\$ 8,327,863

Other supplemental information.
Presented for purposes of additional analysis.